

**UNITED STATES DISTRICT COURT**

**SOUTHERN DISTRICT OF TEXAS**

**LAREDO DIVISION**

UNITED STATES OF AMERICA,  
Plaintiff,

v.

77,760 PIECES OF CIRCUIT BREAKERS  
Defendant.

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L-CV-11- 124

**COMPLAINT FOR FORFEITURE**

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW the United States of America, Plaintiff in the above entitled and numbered cause, by and through its United States Attorney for the Southern District of Texas and its Assistant United States Attorney assigned to this matter, and files this Complaint for Forfeiture against seventy-seven thousand seven hundred and sixty (77,760) pieces of circuit breakers, hereinafter referred to as "the Defendant Property," and would respectfully show the Court the following:

I.

Jurisdiction is conferred upon this Court by virtue of Title 28, United States Code, §§ 1345 and 1355.

II.

This Court is a proper venue for this matter pursuant to Title 28, United States Code, § 1395.

III.

The Defendant Property is within the jurisdiction of the Court having been seized by the Department of Homeland Security, United States Customs and Border Protection.

IV.

The Defendant Property is merchandise bearing counterfeit markings as defined by 15 U.S.C.

1127 and imported into the United States in violation 15 U.S.C. 1124. Defendant Property is, therefore, subject to forfeiture pursuant to 19 U.S.C. §1526(e).

V.

In support of the assertions in paragraph IV., Plaintiff would respectfully show the Court the following:

On May 27, 2010 Department of Homeland Security Investigation Special Agents Corey Grubbs, Juan Lozano, and Jose Garcia inspected eighteen pallets of "Square D" Schneider Electric brand circuit breakers in a warehouse occupied by Olympia International Incorporated and located at 4203 Pan American Boulevard, Laredo, Texas. "Square D" Schneider Electric is a corporation operating within the United States and manufactures QO circuit breakers. On July 23, 1991, a United States Patent and Trademark was registered for "Square D" trademark logo. (Complaint Exh. A) The packaging and labeling on individual boxes indicated that the circuit breakers were assembled in Mexico, and it was suspected that they were counterfeit.

Olympia International Incorporated is a custom brokerage and freight forwarding business. Owner, Sergio Velasquez, was interviewed and stated that the circuit breakers had been delivered to his warehouse and stored for approximately four years. Mr. Velasquez provided the agents with a business card identifying the owner of the circuit breakers as Edward Vaught of Sigma Controls in Austin, Texas. He no longer had contact with the owner of the merchandise and was not being compensated for the continued storage.

A box of circuit breakers, containing 10 breakers, was taken from the warehouse and forwarded to "Square D" Schneider Electric Company for examination. On June 14, 2010, Bill Rezac, Product Certification Engineer for Square D Schneider Electric, sent a written report to Special Agent Grubbs stating that the circuit breakers were, in fact, counterfeit. The written report is attached hereto and incorporated by reference as Complaint Exhibit "B."

On June 30<sup>th</sup>, 2010 the eighteen pallets of circuit breakers, comprised of 36 cartons, were

seized by U.S. Customs and Border Protection (CBP) Seized Property Specialists. On July 13, 2010 HSI agents in Jacksonville, Florida interviewed Tamas Toldy, an owner of an electrical supply business. During the interview, Toldy advised the agents that the circuit breakers seized by agents in Laredo, Texas were actually counterfeit product that he purchased in China at a trade mark show and shipped to Alaska via DHL shipping company. Edward Vaught assisted Toldy in the storage of the circuit breakers.

Edward Vaught was notified of the seizure of circuit breakers. On October 27, 2010 he advised U.S. Customs and Border Protection, the Office of Fines, Penalties and Forfeitures that he had no financial interest in the circuit breakers and elected to abandon the property.

**WHEREFORE, PREMISES CONSIDERED,** Plaintiff prays for all of the following:

1. That Notice of Forfeiture issue according to the normal procedure of the Court citing all persons having an interest in the Defendant Property to appear on the return day of said process and make such Claim and Answer as they may have;
2. That a Judgement of Forfeiture be decreed against the Defendant Property;
3. That, following a Judgment of Forfeiture, the Defendant Property be disposed of according to law; and
4. For costs of this action, including costs of seizure, and for such additional relief to which Plaintiff may show itself entitled.

Respectfully submitted,

JOSE ANGEL MORENO  
UNITED STATES ATTORNEY



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Mary Ellen Smyth  
Assistant United States Attorney

### VERIFICATION

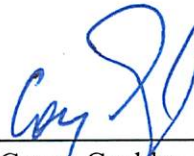
I, Corey Grubbs, upon oath declare and say that:

I am an Special Agent with the Department of Homeland Security, Office of Investigations assigned in Laredo, Texas. I am one of the agents responsible for the investigation concerning this litigation. I have read the above Complaint for Forfeiture.

Based on my investigation and review of the reports prepared by others in this investigation, the information and allegations set forth in the Complaint for Forfeiture are true and correct and establish probable cause to seize and forfeit the 77,760 pieces of circuit breakers.

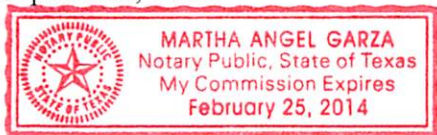
I declare under penalty of perjury that the foregoing is true and correct.

Executed this the 27<sup>th</sup> day of September, 2011.



Corey Grubbs, Special Agent  
U.S. Department of Homeland Security,  
Office of Investigations  
Dept. of Homeland Security,  
Immigration and Customs Enforcement

Subscribed and sworn to before me the undersigned Notary Public on this the \_\_\_\_ day of September, 2011.



*Expires: Feb. 25, 2014*



Notary Public for the State of Texas